UNITED
NATIONS

DP

Governing Council
of the United Nations
Development Programme

Distr.
GENERAL

DP/1990/SR.28/Add.1
27 September 1990

ENGLISH
Original: FRENCH

GOVERNING COUNCIL

Thirty-seventh session

SUMMARY RECORD OF THE SECOND PART */ OF THE 28th MEETING

Held at the Palais des Nations, Geneva,
on Monday 11 June 1990, at 6 p.m.

President: Mr. POPESCU (Romania)

CONTENTS

Other matters:

(c) Operational activities for development: comprehensive triennial policy review of operational activities for development of the United Nations system

(d) Least developed countries

---

*/ The summary records of the first part of the meeting appears as document DP/1990/SR.28

This record is subject to correction.

Corrections should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent within one week of the date of this document to the Official Records Editing Section, room E.4108, Palais des Nations, Geneva.

Any corrections to the records of the meetings of this session will be consolidated in a single corrigendum to be issued shortly after the end of the session.

GE.90-62611/2426B

best copy available

CONTENTS (continued)

Programme implementation (continued)

(b) Implementation of decisions adopted by the Governing Council at its previous sessions (continued):

(ii) Report of the President on the outcome of the informal consultations foreseen by decision 89/20

(iii) Elements for a funding strategy for the United Nations Development Programme

(xii) Review of the Committee of the Whole and its Working Group

READEX FICHE

OTHER MATTERS (agenda item 10)

(c) OPERATIONAL ACTIVITIES FOR DEVELOPMENT: COMPREHENSIVE TRIENNIAL POLICY REVIEW OF OPERATIONAL ACTIVITIES FOR DEVELOPMENT OF THE UNITED NATIONS SYSTEM (General Assembly resolution 44/211; DP/1990/17)

1. The PRESIDENT invited the Countcil to consider what action the United Nations Development Programme (UNDP) should take in response to the provisions adopted by the General Assembly in its resolution 44/211 on the operational activities for development of the United Nations system. In his annual report for 1989 (DP/1990/17) the Administrator, in accordance with Council decision 89/20, had already drawn certain conclusions from the comprehensive triennial review of operational activities for development. Furthermore, the Council had before it relevant reports under several other agenda items, such as those relating to the role of UNDP in the 1990s, elements for a funding strategy for UNDP, Government execution of projects, agency support costs, procurement from developing countries, preparations for the fifth programming cycle, and technical co-operation among developing countries.

2. Mr. KRAMER (Canada) said that, in its resolution 44/211, the General Assembly examined the whole of the United Nations development system of which UNDP was a central element. The resolution gave UNDP a very clear overall message: it must attach a higher level of priority to the developing countries, especially the least developed; increase the volume of resources allocated to United Nations programmes; and place greater emphasis on popular participation in the development process itself. For his delegation, the last part of that message, which corresponded to the need to promote democratic development as much as possible, had a special importance which was confirmed by the decisions taken at the latest special session of the General Assembly.

3. In order to achieve those objectives, it was necessary to reorient the functioning of the system, i.e. to strengthen first and foremost national capacities, including Government project execution capacity, to decentralize further capacity and authority to the country level, to put an end to the proliferation of isolated projects and to encourage instead the establishment of large national programmes. In short the United Nations system must function more coherently and be more closely integrated at the country level. UNDP seemed to have got the message, for it wished to give further encouragement to project execution by Governments and reorganize the agency support costs system.

4. Mr. HARRISON (United Kingdom) said that he interpreted General Assembly resolution 44/211 in the same way as the representative of Canada as far as the priorities deriving therefrom were concerned. In his delegation's view, the establishment by recipient countries of national programme frameworks for operational activities for development ought to be a central element in the reorientation of the operational activities for development of the United Nations system. The matter should be discussed in depth by the Economic and Social Council at its next session; it would be necessary inter alia to consider setting UNDP a timetable for the implementation of the various decisions included in General Assembly resolution 44/211.

5. The PRESIDENT said that the Council was not required to take a decision on the item entitled "Comprehensive triennial policy review of operational

activities for development of the United Nations system", since the various issues covered by General Assembly resolution 44/211 were still under study and would be the subject of decisions under several other agenda items. The Council might limit itself to noting in its report to the Economic and Social Council that it had considered General Assembly resolution 44/211.

6. It was so decided.

PROGRAMME IMPLEMENTATION (agenda item 4) (continued)

(b) IMPLEMENTATION OF DECISIONS ADOPTED BY THE GOVERNING COUNCIL AT ITS PREVIOUS SESSIONS (continued)

(ii) REPORT OF THE PRESIDENT ON THE OUTCOME OF THE INFORMAL CONSULTATIONS FORESEEN BY DECISION 89/20 (DP/1990/19)

(iii) ELEMENTS FOR A FUNDING STRATEGY FOR THE UNITED NATIONS DEVELOPMENT PROGRAMME (DP/1990/20)

7. The PRESIDENT invited the Council to consider together the outcome of the informal consultations foreseen by decision 89/20 (DP/1990/19), the first of those consultations having dealt largely with the elements for a funding strategy for UNDP, and the report of the Administrator on that specific issue (DP/1990/20).

8. Mr. DRAPER (Administrator, United Nations Development Programme) said that UNDP received large sums from both developed and developing countries; some of the money was used as "core resources" and some of it constituted "other resources", which were sometimes allocated to bilateral projects or to co-financing operations. UNDP needed a strategy, on the one hand for the attraction of funds and on the other for the use of the two types of resources, for which maximum efficiency was essential.

9. Mr. KRUIDERINK (United Nations Development Programme), introducing the report in which the Administrator, pursuant to Council decision 89/20, proposed various elements for a funding strategy for UNDP (DP/1990/20), said that, as far as the funding of its activities was concerned, it was high time that UNDP made use of a number of comparative advantages (its multilateral and universal character, decision-making by consensus) in order to determine action themes of world scope which would readily command unanimous support, such as protection of the environment, poverty alleviation, the need to strengthen management capacities, and the upgrading of the human dimension of development. It was by adopting a "development profile" of that kind that UNDP would best be able to mobilize an increased volume of core resources, the purpose of which would be more clearly perceived.

10. It was, in fact, its core resources that UNDP must first seek to increase, as the developing countries themselves argued. The developing countries were, however, turning in increasing numbers to the other resources available to UNDP to supplement those allocated to them under their indicative planning figures (IPF); while the donor countries continued to supply those "other resources". One of the tasks for the 1990s was therefore to harmonize more effectively such initiatives by the donors in order to strengthen a country's backstopping capacity and enhance its co-ordination responsibilities.

11. The approach envisaged by the Administrator in that respect would be for UNDP, on the basis of a statement of technical co-operation needs presented by the countries themselves, to submit to the Council expanded country programmes which would enable potential donors to indicate the use which they wanted made of non-core resources. In consultation with the recipient country, the donor would determine what funding mechanism should be used for the execution of the project, in question, namely, bilateral or multilateral funding.

12. Mr. HARRISON (United Kingdom) said that it was necessary to be realistic: his delegation had stated many times that it could not envisage in the immediate future any substantial increase in the amount of its contributions to UNDP, and the majority of other donors took the same line. Furthermore, since developments in the 1990s were prompting those same donors to consider new destinations for their aid, UNDP must be genuinely able to cite efficiency and comparative advantage.

13. Given that context, the first of the recommendations made by the Administrator for a funding strategy (DP/1990/20, paras. 66 to 77), which counted on an increase of at least 10 per cent in the resources allocated to the Programme during the fifth programming cycle, was too ambitious and therefore unrealistic. Recommendation 2, in contrast, brought out clearly the link between funding and the priorities chosen, which were poverty alleviation, investment in people, and the search for sustainable development. It must not be forgotten, however, that when resources were limited the achievement of priority objectives meant giving up secondary activities. Recommendation 3 rested on the assumption that it would be possible to determine objectively which technical co-operation needs should be met first. But there were few development activities which lent themselves to cost/benefit analysis; moreover, such an evaluation of needs was not based on the criteria of efficiency, quality or priority. There was a danger that UNDP might be reduced to the role of donor of last resort, while other donors reserved the quality projects for themselves. Recommendations 4 and 5 were, however, valid, for it certainly had to be to accepted that UNDP would regularly receive non-core funds and be required to programme the two types of resources. His delegation supported the idea that the use of special purpose funds should be subject to the negotiation of priorities within the framework of an expanded country programme. Recommendation 6 was also valid, for it brought forward new development concerns; but the need to define priorities quite clearly became even more essential.

14. In the same report (DP/1990/20, annex, paras 8 and 9) and also in his report on the preparations for the fifth programming cycle (DP/1990/43) the Administrator spoke of the benefit to UNDP of pledges in special drawing rights (SDR) or even the adoption of SDRs as the accounting unit. However, the United Kingdom was certainly not prepared to formulate its pledges in SDRs. Pending a more detailed consideration of the issue, UNDP should, of course, plan its investments so as to offset the effects of any devaluation of the dollar.

15. Mr. KITAGAWA (Japan) said he wholeheartedly supported the idea that the funding strategy for UNDP must be based on an objective assessment of the technical co-operation needs of the recipient countries. He also endorsed the idea of introducing expanded country programmes to make it possible to co-ordinate technical co-operation activities funded not only from UNDP core resources but also from other resources. It was for the Administration to design a methodology for carrying out that recommendation.

16. It was still difficult to determine the principle according to which activities to be funded from core resources were differentiated from those to be covered by other resources. For his delegation the specific national situation, i.e. the country-focused approach, remained pre-eminent, and core resources and country IPFs should thus remain the principal elements in UNDP's funding strategy. Other resources played only a supplementary role, enabling UNDP to take an interest in certain sectors, certain themes or certain regions. His Government was not convinced of the necessity, within the framework of the fifth programming cycle, to take a more clearly thematic approach to the allocation of core resources. What was more important was to co-ordinate more effectively the use of core resources and other resources. Given such co-ordination, the increase in the volume of non-core resources was not in itself any cause for concern.

17. On burden-sharing and the predictability of the resource replenishment arrangements, the Administrator presented (DP/1990/20, annex) a number of modalities on which the Council would not be able to take decisions until it had reflected further, for they would have the effect of profoundly altering the character of UNDP. But it would be useful to consider already how, over the long-term, it would be possible to ensure predictable resources for UNDP.

18. Mr. CRUSE (France) said that the Administrator indicated in his report (DP/1990/20) three priority themes which might be capable of mobilizing new resources from donor countries. However, the theme of poverty was inadequately defined: in his delegation's view, priority must be given to the poorest countries, and UNDP should intervene only in support of a comprehensive national policy to alleviate poverty. Furthermore, improvement of administrative and economic management remained one of UNDP's major forms of intervention in the developing countries, and his delegation was surprised that the programme on development of management capacities was to be cut by half in the fifth programming cycle. It supported the idea of promoting investment in people in order to ensure balanced growth but, there, too, more careful consideration was needed, especially with regard to the necessary adjustments.

19. As for the UNDP funding strategy itself, his delegation endorsed the Administrator's idea that UNDP should proceed on the basis of the needs expressed by the recipient countries, involving both national and expatriate experts. In that connection, the recipients still had far to go in developing programming, with the assistance of UNDP.

20. It would also be useful to try in due course to reinsert into the normal cycle some programmes financed from extrabudgetary funds, because the donors often wanted to see of resources of that kind allocated to certain priority tasks which the recipient countries were not tackling under their IPF. Such incorporation of non-core resources into the central fund would also enhance the coherence of the various UNDP programmes, and the activities of the United Nations Sudano-Sahelian Office (UNSO) might, in that way, ultimately turn into a regional African programme. But care must also be taken to ensure that the incorporation of programmes financed from non-core resources was achieved gradually and did not supplant or cut back any ongoing programmes in favour of new projects.

21. His delegation had already had the opportunity to say that, in its opinion, the writing of scenarios based on a 10 per cent increase in

contributions to UNDP was unrealistic. What was needed instead was some thought about the reasons for the slow-down in the growth of contributions over the past few years.

22. Ms. AARNIO (Observer for Finland), speaking on behalf of Denmark, Norway, Sweden and Finland, said that the delegations of the Nordic countries thought that the various modalities envisaged by the Administrator for a funding strategy should be the subject of informal consultations with a view to identifying genuine principles for action.

23. The delegations of the Nordic countries, too, thought it overly optimistic to count on an increase of at least 10 per cent in the volume of core resources, as the first recommendation did. UNDP would secure the large increase in its resources that it desired only if it could convince the donors of the quality of its programmes. The Nordic countries were, however, able to support recommendation 2 by virtue of the priority which it gave to three goals: the adoption of strategies for poverty alleviation and investment in people; the promotion of more efficient economic management; and the combination of economic growth, human development concerns and natural resource management into a policy focused on sustainable development (DP/1990/20, para. 69). If UNDP could demonstrate that it was succeeding in producing a preceptible increase in the capacities of the recipient countries in those various areas, it would certainly then obtain more plentiful funding than would otherwise be the case.

24. The various funding modalities envisaged by the Administrator to guarantee UNDP predictable resources (DP/1990/20, annex) required detailed analysis, but, as things stood, a system of assessed contributions would seem fairer to the Nordic countries, although it was probably not a realistic possibility.

25. To decide how to distinguish between activities which should be funded from core resources and those which could be funded from other resources, it was necessary to assess the needs in the developing countries concerned, and to conduct sectoral reviews and a dialogue on the priorities to be chosen. Special-purpose funds had their importance, but great care must be taken not to upset the balance between the two types of funding.

26. Mr. RADE (Netherlands) said that there was a close link between the design of a funding strategy and the preparations for the fifth programming cycle. UNDP would probably be guaranteed a larger volume of resources if it allocated a larger part of them to the obviously needy countries, particularly the least developed among them.

27. With regard to the first of the Administrator's recommendations (DP/1990/20, para. 67), there was no way of establishing a concrete link between the needs of the developing countries and the volume of funds furnished to UNDP by donors; nor was it certain that the minimal level of funding corresponded to the need to maintain programmes at their current level in real terms. Furthermore, the nomination of a growth rate was of purely theoretical interest for the donors. In the last analysis, a growth scenario of 12 to 16 per cent was probably too optimistic.

28. He had two comments to make on recommendation 2 (ibid., paras. 68 and 69): the first was that a clearer link would have to be established

between the concepts defined in the Human Development Report 1990 and the three imperatives linked to the general objective of human development; the second was that the Administrator ought to have given a fuller explanation of the reasons why he had adopted those three development priorities, for it would then have been possible to see whether there was a consensus in the Council in that regard. The representative of Finland had been right to suggest informal consultations on that point. With regard to recommendations 3 and 4, his delegation would like to know how the technical co-operation needs assessments and the expanded country programmes stood in relation to the overall national programme framework for operational activities for development, referred to in paragraph 17 of General Assembly resolution 44/211.

29. The Administrator was right in saying (ibid., para. 41) that the donors wanted clearly defined funding purposes and that the direction and effects of core funding must be brought out more clearly. His delegation also fully endorsed the Administrator's comments on the issue of burden-sharing (ibid., para. 65).

30. Mr. ADEYEMI (Nigeria) said that his delegation supported the Administrator's appeal for a doubling of UNDP core resources for the fifth programming cycle. There was no contradiction between core resources and other resources, because they were both devoted to development, but there was no doubt that core resources must remain the principal element of a UNDP funding strategy. Moreover, such a strategy should not be the exclusive subject of the consultations aimed at producing a better definition of the role of UNDP in the 1990s. The design of the strategy must be tied in to other concerns such as, strategic programming, environmental protection, strengthening of capacities, poverty alleviation, government execution of projects, etc. That undertaking must also be linked to the need to improve the working methods and organization of the Governing Council itself (DP/1990/82 and Add.1). His delegation supported in particular the idea of taking up certain agenda items on a biennial basis. However, the regular practice of holding a high-level general debate must be continued, or even expanded. His delegation was against the idea of creating inter-sessional machinery: it was the Council which must bear full responsibility for all the major decisions to be taken. On the other hand, the informal consultations on operational and technical matters were useful.

31. The Administrator's specific recommendations for a funding strategy (DP/1990/20) constituted an excellent basis for discussion. His delegation endorsed in particular recommendation 1 (increase of at least 10 per cent in core resources during the fifth programming cycle); recommendation 2 (determination of three priority objectives), provided that the objectives were pursued in the context of properly established national priorities and goals; and recommendation 4 (the principle of integrated programming based on national assessment of technical co-operation needs).

32. Mr. MALMIERCA (Cuba) said he had some doubts about recommendations 2 and 6, contained in paragraphs 68, 69, 76 and 77 of the report: it was for Governments to determine, in the light of national development goals, the areas in which technical co-operation projects should be carried out. Accordingly, it was important for UNDP to pursue a flexible funding policy and to avoid fixing rigid priority action areas, for such a constraint might prove counter-productive.

33. Mr. SOUTTER (Canada) said that the document under consideration brought out the multilateral character and the neutrality of UNDP, while reaffirming that the Programme's main task was to provide co-ordinated technical assistance in several fields - assistance focused on the countries and the priority goals set by its recipients. That was a worthy approach but its implementation currently gave rise to serious doubts: some criticized the donors for being too closely involved in the country programmes, held in certain quarters to be the exclusive fiefdom? of the recipients, while others called into question the quality and impact of UNDP programmes, which were used by many countries to fill the gaps left by other assistance bodies, though the specialized agencies manoeuvred to secure their "market share" everywhere. The enormous contributions paid into UNDP over the years should be used to strengthen the overall national capacities of the underprivileged countries - though it was very difficult to evaluate the Programme's global performance in that regard, in view of the excessively general nature of the concept itself but also because of the latitude accorded to the beneficiaries to select the areas in which they meant to spend the funds allocated.

34. The Administrator had tried to respond to those concerns, as far as the quality and impact of UNDP programmes were concerned, in his "elements for a funding strategy" (DP/1990/20), stressing, on the one hand, that programming had to be strengthened by means of national technical co-operation needs assessments and, on the other, that it was necessary to establish for UNDP a clearly defined technical co-operation for development profile based on the three objectives of poverty alleviation, efficient management and sustainable development. The donors were, in fact, often more willing to fund specific priority activities, and it would be easier for them to determine the comparative advantages offered by UNDP if it endeavoured to develop its capacities in clearly limited areas. The Administrator was also recommending the adoption of the modality of expanded country programmes, reconciling the principle of central funding - by means of core resources - with the possibility of incorporating inputs from other sources. By legitimizing the use of other funding mechanisms within UNDP, that modality had the merit of taking advantage of a general trend and opening the way to a diversified approach which took into account the preferences of each donor country. The UNDP network of country offices might constitute a valuable asset in that regard. Canada had its own overseas network, to which it delegated much of the power of decision regarding project funding, and it contributed little to the trust funds of the specialized agencies. However, his Government remained open to other solutions, provided they respected the essential principles of multilateralism.

35. If such a strategy was to deliver its full impact on the quality of country programmes, the Governing Council must at the same time be given greater responsibility for the programmes. That would, no doubt, prompt an increase in voluntary contributions but it was unrealistic to count on an annual increase of 10 per cent, given the number of bodies among which official development assistance was shared.

36. Nevertheless the proposed strategy had some shortcomings: it tended to regard the donor countries as a homogeneous group, whereas some of them bore an increasing share of the cost of core activities, abandoned by others for the sake of more attractive options, and the contributions paid by the richest countries - as indeed by certain developing countries which had reached a more

advanced stage of economic and social development - were not always commensurate with their funding capacity. UNDP could, perhaps, consider adapting its approach to the needs and possibilities of the donors.

37. Furthermore, the funding modalities proposed by UNDP with a view to greater predictability and fairer burden-sharing conflicted with the voluntary nature of the contributions; they would hardly have a long-term impact and might even prove counter-productive - as in the case of the modality of multi-year pledges. Lastly, the developing countries must share the responsibility for the development funding strategy, which must not be left to a handful of donors, and it must be understood on all sides that it was most important to emphasize quality and integrity in a liberal development assistance programme such as UNDP.

38. Ms. DUDIK-GAYOSO (United States of America) said she agreed that it was too optimistic to count on an increase of 10 per cent in the volume of contributions to UNDP and that it was important to ensure the quality and impact of the Programme's activities and the efficiency of its working methods, in order to enhance donor confidence. While it was true that the increase in non-core contributions was due in particular to the desire of many donors to focus official assistance increasingly on specific activities, it still remained necessary to examine more carefully the three priority action areas proposed in the paper under consideration, for they would largely determine the decisions shortly to be taken concerning the allocation of resources in the fifth programming cycle. Her delegation requested information about the operation of the packages arrangement - according to which technical co-operation activities financed from non-core funds supported capital assistance from other sources - which was referred to in paragraph 43 of the report.

39. With regard to the Administrator's recommendations, her delegation noted with satisfaction that UNDP intended to place the emphasis everywhere on national technical co-operation assessments needs, which would constitute the premises of its funding strategy. It would indeed be useful to link central funding to additional funding from other resources accruing in particular from trust funds, but the relative shares of the two types of funding remained to be determined; furthermore, the document under consideration did not respond to any of the very concrete concerns stated by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) in its 1989 report. The issue of the use of special Programme Resources (SPR) - and of non-core funds - where the recommendation was to use them to finance activities related to new development objectives, was more a matter for the consultations on the fifth programming cycle and should be considered in that framework. On the whole, her delegation thought that the Administrator's report constituted a good starting point for determining a funding strategy for UNDP.

40. Mr. ROHNER (Switzerland) said that his delegation's position coincided broadly with that of preceding speakers, particularly the representative of Canada and it thought that it would be useful, as the representatives of Finland and the Netherlands had suggested, to hold informal consultations in order to obtain a clearer picture of the three development objectives indicated in the report.

41. Mr. SAHLMANN (Federal Republic of Germany) said that, as things stood, UNDP could not count on an increase in its resources of more than 4 to

6 per cent. On the basis of a very modest estimate of the resources available for the fifth cycle, the Programme should concentrate on the areas where its comparative advantages made it the natural intermediary between donors and recipients. Unless it defined its profile better and brought out more clearly the direction and impact of its funded activities, UNDP risked seeing its core resources continue to stagnate. In order to focus its activities properly on human development, it would have to prepare, in conjunction with the recipients, clearly defined strategies in the three areas of priority action set forth in paragraph 10 of the report. In that connection, his delegation was very much in favour of an increase in Special Programme Resources, with the emphasis on poverty alleviation, environmental protection and the strengthening of national management capacities. Lastly, the idea of expanded country programmes was an excellent one, but they would have to be kept in line with the requirements of national development priorities.

42. Mr. KRUIDERINK (United Nations Development Programme), replying to the comments made by the members of the Governing Council, said that many delegations thought that it was unrealistic to aim at a 10 per cent increase in the resources allocated to UNDP programmes. In that connection, he recalled that, in recent years, the volume of resources allocated to theme-specific activities had recorded an annual growth rate of 15 per cent in the case of United Nations bodies and eight per cent in the case of UNDP. Moreover, a 10 per cent rate of increase in resources had in fact been negotiated for the European Development Fund. That being so, he wondered whether it was really over-optimistic to aim at the same level of funding for UNDP. However, it was up to the Council to settle the issue.

43. He was still convinced that it was by virtue of the specificity of its activities and their overall quality that UNDP would attract the funding that it needed. There had been much talk of the impact and quality of UNDP activities - and UNDP itself was concerned about that as well, as witnessed by the publication of the first Human Development Report and the many assessments of development co-operation activities initiated by the Programme. In that respect, indeed, UNDP could stand comparison with bilateral assistance bodies. The members of the Council themselves had always been favourably impressed by its projects when they visited overseas offices. However, UNDP was not its own best advocate; it should aim at greater transparency and keep the Council more fully informed about its activities.

44. The only answer that he could give to the question put by the representative of the Netherlands about the expanded country programmes was that they constituted a mechanism whereby donor countries and other United Nations bodies could determine what were the priority activities that a developing country would like to undertake although its IPF resources were insufficient, and which might then be financed from bilateral funds. It was for the secretariat to organize the informal consultations on the priority themes of co-operation for development requested by various members of the Council.

45. Generally speaking, there was indeed a link between the contribution of resources and their use: the more UNDP emphasized to Governments the quality of its programming and collaborated with them to that end, the better placed it would be to recommend the major outlines of co-operation for development,

which were of interest to the donors, and the specific activities that the recipients intended to carry out within that framework, the result being country programmes financed from both IPFs and non-core funds.

46. It was the first time that the Governing Council had asked UNDP to define the elements of a funding strategy: as many representatives had noted, the document under consideration contained many points warranting more detailed study. He had noted the many general comments made by members of the Council about the Programme's policies and main orientations in that regard.

47. The PRESIDENT asked the Council whether it wished to instruct the Drafting Group to prepare a draft decision on the issue before the Council.

48. Ms. DUDIK-GAYOSO (United States of America) said that she would like to know whether it would be possible to hold the informal consultations requested by several delegations before preparing a draft decision.

49. Mr. HAEMMERLI (Governing Council Secretariat) said that it would not be possible for him to provide interpretation services for such consultations.

50. Mr. HARRISON (United Kingdom) suggested that, to avoid organizational problems, the Drafting Group should hold a general discussion on the matter before preparing a draft decision.

51. The PRESIDENT said that he took it that the Governing Council wished to proceed along those lines.

52. It was so decided.

(xii) REVIEW OF THE COMMITTEE OF THE WHOLE AND ITS WORKING GROUP (DP/1990/82 and Add.1)

53. The PRESIDENT invited the Governing Council to assess the results of the review in the light of the note on the informal consultation on the working methods of the Council, held on 13 February 1990, and of the addendum thereto (DP/1990/82 and Add.1), submitted under agenda item 4 (b)(ii).

54. Mr. OGAWA (Japan) said that the Governing Council apparatus should be changed so that the member States could exercise their supervisory functions more efficiently and pragmatically, and his delegation made the following proposal: the Budgetary and Finance Committee should continue to perform its existing functions; on the other hand, it would be useful to replace the Committee of the Whole and its Working Group by a policies and programmes committee which would also carry out some of the tasks hitherto entrusted to the Governing Council, to which it would be able to make recommendations concerning all matters that had been handled by the former Committee of the Whole. If necessary, it would be able to set up an ad hoc working group to consider certain questions and, possibly, the country programmes also.

55. The policies and programmes committee, like the Budgetary and Finance Committee, would be composed of about half the members of the Governing Council and all the Council's officers, so that all States would have an opportunity of participating in each of the subsidiary bodies for two of the four years of their membership of the Council. The two bodies would each hold a regular session before the Council's session; the Budgetary and

Finance Committee would also be able, if necessary, to convene special meetings between sessions, whereas, in the case of the policies and programmes committee the frequency and duration of such meetings would be determined in the light of the workload and after consultation between the Bureau and the Administration.

56. The Governing Council would hold an organizational meeting of only one day at the beginning of each year; the high-level general debate would take place every second year, the Council's regular session being reduced from two weeks to one in years when there was no general debate. He submitted those proposals to the member States for their consideration.

57. Mr. MALMIERCA (Cuba) said that, in seeking to improve the efficiency of the management of UNDP and its Governing Council, cost effectiveness must also be taken into account. With regard to the duration and number of the Council's meetings, the idea put forward in paragraph 6 of document DP/1990/82/Add.1 of establishing a full calendar of meetings for the year and setting up a small conference room with portable interpretation facilities, still with the option of obtaining interpreters on a contractual basis when necessary, seemed to be a practicable one, but it would be useful if the Administrator could prepare a statement of the financial implications of such solutions. On the other hand, the proposal concerning documentation made in paragraph 12 (a) was unacceptable, for it would create practical difficulties for non-English-speaking countries. However, his delegation would be willing to consider the formula of biennial cycles for certain items, since that would make it possible to reduce both the volume of documentation submitted to the Council and the duration of its sessions. Lastly, with regard to paragraph 14 of document DP/1990/82, he doubted the usefulness of creating new subsidiary bodies of the Council: in its view, a possible programme committee, which would logically be open to all members of the Council, would not offer sufficient advantages to justify the additional administrative burden that it would represent.

58. Mr. ROHNER (Switzerland) said that the informal consultations held by the President of the Council in February 1990 had provided an opportunity for a useful exchange of views on the Council's working methods and structure. The secretariat made several pertinent suggestions in its note on the decisions concerning the functioning of the Council taken since 1981 (DP/1990/82/Add.1). As far as the Council's structure was concerned, the Committee of the Whole and its Working Group, which the Council had established in order to help it cope with the increased volume of reports resulting from the new UNDP activities - community development, women and development, short-term advisory services, etc. - had given the Council effective support on policy and programme matters.

59. It was nevertheless true that the apparatus could be improved, and perhaps consolidated. The delegation of Japan had just put forward a proposal to that end, and several ideas had already been advanced during the informal consultations. His own delegation had made a proposal at that time with a view to rationalizing the Council's structures; members might recall that the Committee of the Whole and its Working Group would be replaced by a permanent programme committee which would take charge of all the programming matters hitherto dealt with by the Committee of the Whole and its Working Group and the Governing Council and its Drafting Group. To strengthen the Council's supervision of UNDP overseas activities, the programme committee would be

supported by an evaluation sub-group responsible for monitoring and evaluating the execution of activities, which would make regular field trips for that purpose. Thus the programme committee would deal with operational and technical matters, and the Budgetary and Finance Committee - with its terms of reference unchanged - would deal with financial and administrative matters. The two bodies would report to the Governing Council and prepare decisions for adoption by the Council, which would concentrate on its role of governing body. In order to carry out its terms of reference properly, the programme committee would also have to meet between sessions. His delegation submitted its proposal to the Council for further consideration.

60. Ms. DUDIK-GAYOSO (United States of America) said that the ability of UNDP to obtain funding for its activities also depended on the way in which the Governing Council performed its supervisory role. There was no doubt that the Council's structures and working methods could be improved. The informal consultations held by the President on those issues had helped member States to obtain a clearer idea of the problems and the possible solutions. Her delegation would certainly be ready to support proposals which would rationalize the decision-making process in the Council, but it doubted the usefulness of taking up certain agenda items every two years only: in the case of important questions, annual consideration was not too much. On the other hand, the Council might consider holding the high-level general debate every second year, or even to hold it only when it wished to take up a specific matter directly related to its work that was not covered by any of the items on its agenda.

61. As to the Governing Council apparatus, her delegation thought the the Working Group of the Committee of the Whole had indeed helped member States to understand programme issues better and it was therefore in favour of the idea of establishing, as several delegations including the delegation of Japan had suggested, a permanent subsidiary body which would be responsible for the programme matters that had hitherto been the concern of the Committee of the Whole and its Working Group and which would also be able to take part in the review and evaluation of country programmes.

62. In that connection, her delegation wished to recall that, over the past five years, UNDP had made several improvements in its internal modalities for the review and submission of country programmes. The Governing Council, on the other hand, after having carefully considered and commented on the programmes submitted to it, tended all too often to approve them almost automatically. Supervision by the Council thus failed in its purpose, and the observations made by member States were a complete waste of time. To correct that situation her delegation suggested that, during the fifth cycle, the country programmes submitted to the Council for its consideration at one of its sessions should not be approved until a later session. It was important to take a decision, immediately, after considering the various proposals put forward, on those important issues of the Council's working methods and structures.

63. Mr. CRUSE (France) said that every country, whether recipient or donor, had its own experience of development and no one could claim to be the repository of truth in the matter - that was why the States members of the Governing Council needed a framework in which they could freely exchange their views and persuade each other of the usefulness of any given approach, before taking a final decision on the programmes and on certain research and work

topics. The Working Group of the Committee of the Whole was, it was true, encountering greater and greater difficulty in performing that function of framework for informal discussions, and it should certainly be abandoned in favour of a more effective structure. In that spirit, his delegation fully supported the Swiss proposal to establish a programme committee and it would carefully study the new proposals made by the delegation of Japan.

64. Mr. NISSEN (Norway), speaking on behalf of Denmark, Finland, Sweden and Norway, said that the Nordic countries took the view that it was vital to supervise and control programme activities and the use of funds, but without being over-zealous, so that the Administrator was left sufficient elbow-room to manage UNDP properly. In order to exercise that control, the Council had to perform several tasks, the first and foremost of which was to determine the priorities of UNDP, i.e. to direct general policy and provide ad hoc guidelines concerning the Programme - a function which was all the more important since the recipient countries were increasingly taking charge themselves of programme preparation and execution. It seemed that the Council was not currently managing to perform those functions satisfactorily. The Nordic countries agreed on the need to secure wider participation by ministers in the high-level general debate held during the Council's sessions and, to that end, to prepare that debate better by focusing more closely on specific topics and specific measures. It might also be useful to conduct more regularly - once every three years, for example - a more general policy review, which might then mesh more effectively with the similar periodic reviews carried out by other United Nations bodies, particularly the Economic and Social Council.

65. As for the ad hoc guidelines to be provided for the Administrator, it was important to improve communication between him and the member States and therefore to establish an effective mechanism - possibly a programme committee modeled on the Budgetary and Finance Committee - which might meet during and, more importantly, between the Council's sessions. Consideration might also be given to the establishment of a framework for the holding of inter-sessional informal consultations. Since the case of the United Nations Fund for Population Activities (UNFPA) was different from that of UNDP, the Council should give special thought to the question of the Fund's governance, in order to provide appropriate solutions.

66. The Council was also required to consider, approve and evaluate the country programmes. The international community seemed to think that the recipient countries and country offices should be given a larger share of responsibility for programme preparation and execution, that the programme approach should be focused more closely on the countries, and that powers and functions should be further decentralized. On the assumption that the situation developed along those lines, consideration would have to be given to the role that the Council should play in the evaluation and approval of country programmes. However, it would be important for the Council to continue to examine the results of those activities, while endeavouring to offer only general guidelines. That critical examination had become a burdensome administrative operation that the Council was unable to carry out rationally.

67. The Council also had the task of examining, approving and supervising expenditure and the budgets. In general terms, the modalities established for that purpose were fairly satisfactory, although fresh difficulties should be

expected with the shift to project execution by national bodies: the Council might perhaps wish to review and reorganize at the same time the internal and external audit and the evaluation of programme delivery.

68. With regard to the Council's working methods, the Nordic countries supported most of the changes proposed in document DP/1990/82/Add.1 and they wished to emphasize, in particular, the need to review the calendar of meetings and reduce the duration of sessions, while at the same time setting up a mechanism whereby the dialogue on general policies could be continued between sessions. It was important to reorganize the high-level general debate, restructure the agenda by grouping items together, and make wider use of the modality of biennial cycles for the consideration of certain items, with a view to reducing the number of reports submitted to the Council and the number of decisions it was required to take every year. Lastly, the reporting system for the review of activities carried out under the country programmes should be simplified.

69. Mr. SOUTTER (Canada) said that such a large and complex body as UNDP could not function properly without efficient management and the Governing Council therefore had a duty to ensure that its structures enabled it to steer UNDP activities without putting the brake on them. In that spirit, his delegation supported all the suggestions made in the note by the President (DP/1990/82/Add.1) concerning the duration and number of meetings, the agenda, the decision-making process and documentation, except for the suggestion that background documents should be distributed in English only (para. 12): since such documents affected the decisions of the Governing Council, they should be available in all the official languages. His delegation therefore proposed that the Council approve, with immediate effect, all the other concrete suggestions made in the President's note.

70. In due course the Council might also consider some more ambitious solutions: for example, to meet as a Council only every second year and to introduce a suitable arrangement for informal consultations and ad hoc committees to look after the interim, or even to reduce the Council's membership by a third or a half by establishing appropriate regional representation and a rotation. Such solutions might enhance efficiency and also secure considerable savings of time and money.

71. In any event, efficiency was also a matter of individual and collective discipline, and if the proposals made in the President's note were put rigorously into practice, it might legitimately be expected that the UNDP Administration would then get concise documents out on time and that the members of the Council would make brief statements, not request superfluous documents or draft excessively long and complicated decisions, and limit themselves to matters of general policy.

72. The Council's basic structures were also important. His delegation thought that the Committee of the Whole and its Working Group had been very useful in their day and that, rather than doing without any subsidiary body, the Council should replace them by a programme committee, as the delegation of Switzerland had proposed, or by a policies and programmes committee, as the representative of Japan had suggested. Solutions of that kind were the best that could be envisaged for the moment with a view to rationalizing the structures and improving the working methods of the Governing Council. The

review of its functioning should be an ongoing process, and there should be no reluctance to try or to adopt solutions which offered real possibilities of improvement.

73. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said he agreed that the Council's functioning must be rationalized. However, it should be remembered that, during the consultations on the Committee of the Whole and its Working Group, held for that purpose, delegations had stated that those two bodies had, on the whole, considerably facilitated the Council's work. Indeed, at the time of the adoption of decision 89/25, many delegations, especially those of the developing countries, had urged that the Working Group be open to all members of the Council. At its current session, the Council must decide whether the Committee of the Whole and its Working Group had performed their tasks effectively. If they had, there would be no point in setting up other subsidiary bodies which would merely increase the workload still further; if they had not, there would be little point in replacing them by other bodies performing the same functions but with a smaller membership. In that way, the Council might well find that it was taking decisions that did not reflect all points of view or satisfy all the countries concerned. In the circumstances, he thought that delegations should study in greater detail the proposals made and refer them back to their Governments.

74. Mr. GIELING (Belgium) said that his Government attached great importance to the question of the functioning of the Governing Council. His delegation found much of interest in the Japanese and Swiss proposals and the improvements suggested by the co-ordinator of the Nordic countries and the representative of Canada, and it thought that all those ideas warranted consideration in much greater detail.

75. Mr. PETTITT (United Kingdom) said that his delegation found the Japanese and Swiss proposals interesting and hoped that they would be considered in greater depth. It also hoped that the Council would establish a subsidiary body with limited membership - in order to facilitate its work - which would be able to take charge of all the programming matters hitherto dealt with by the Committee of the Whole and its Working Group and which could meet during and between the sessions of the Council. The existence of such a body should, in normal circumstances, remove the need for special sessions in February.

76. As for the useful suggestions made by the President in his note, his delegation would merely recall that the United Kingdom had already proposed that a high-level general debate should be held every second year only. Furthermore, following one of the informal consultation meetings held by the President, his delegation had suggested that the Council should take up the question of the programme of the United Nations Volunteers once every two years on a fixed day, in order to guarantee the participation of member States familiar with the question and thus afford the Council an opportunity of commenting on the implementation of the ideas put forward during the high-level talks organized by the Volunteers programme during the preceding period for its users and participating bodies.

77. Mr. VARADACHARY (India) said that, in his view, the problem lay in the cumbersomeness of the Council's structures and not in any hypothetical weakness in its mechanisms. It appeared perfectly possible to limit the membership of the subsidiary bodies if the Council finally agreed at long last on an equitable geographical distribution of the seats. If the terms of

reference of such bodies gave rise to difficulties, the matter should be taken up again when all delegations were present. The Council could also reduce the duration of its sessions; on the other hand, it could expect several problems - needless proliferation of documents, wasting of time, financial difficulties - if it established permanent bodies which met during and between its sessions.

78. As for the modalities for the approval of country programmes, the process was already too lengthy in relation to the size of the programmes delivered. By splitting their consideration from their approval, as had been suggested, the Council would merely find itself bogged down in details. What it needed was a greater perspective and a system incorporating better general policies, more continuous verification and more rigorous observance of reporting duties. In short, the proposals made to the Council on those issues did not, taken as a whole, seem to meet the requirements of economy and efficiency.

79. Mr. SAHLMANN (Federal Republic of Germany) said he agreed that the Council's structures and working methods must be reconsidered so that it could offer UNDP operational, effective and top-quality guidance, for that, too, would determine any increase in the volume of contributions to the Programme.

80. With regard to the Council's structures, his delegation wholeheartedly supported the Swiss proposal and thought that the Council might indeed consider, as the representative of Japan had suggested, reducing the membership of its subsidiary bodies. It might be possible to consider as a first step restricting the right to speak in plenary meetings to the members of the Council alone; that solution would have the advantage of reducing the duration of sessions, and nothing would prevent observers or any other States from making their position known through a member State and thus influencing Council decisions. Moreover, it emerged from the review of the Council's subsidiary bodies that work done in small groups had produced better results with regard to UNDP programmes and policies. On that point his delegation did not agree with the representative of India that the geographical distribution of seats should be altered before the membership of the bodies was reduced: all regions must certainly be represented, but the developing countries already held a majority of the seats in the Governing Council.

81. As for programming, the Nordic countries were right to advocate the establishment of more effective structures in order to ensure good management, especially between Council sessions. Similarly, his delegation agreed with the representative of India that the Council must not allow itself to become bogged down in details but must seek above all to direct UNDP policies, evaluate its activities and ensure supervision of the finances and accounts and observance of the reporting duty. On the subject of documentation, the representative of Canada had rightly noted that the Council and the UNDP Administration should impose stricter discipline on themselves. The Council must avoid asking for superfluous reports, and UNDP must produce shorter documents and distinguish more clearly between policy documents and information documents.

82. Mr. FERNANDEZ (Observer for Liberia) said that his delegation fully endorsed the views of the representative of India. However, it thought that the democratic procedures of the Governing Council and the vital question of representation of the regions in the Council would suffer considerably if its membership were reduced. If the Council really wanted to rationalize its

work, it should consider meeting only in New York, as the Group of 77 had proposed some time previously. That solution would have the advantage of guaranteeing the effective participation of all its members, particularly the developing countries. Some people had objected that the cost of a session was lower in Geneva than in New York, but they had never produced any conclusive evidence of that assertion. His delegation noted the proposals made by Canada, the United States, Japan and other countries concerning the Council's structures and working methods and thought that those ideas should be studied in greater detail.

83. Mr. EL GHAOUTH (Mauritania) said that, while his delegation was ready to consider any proposal for rationalizing the Council's functioning, it doubted the usefulness of creating new bodies and increasing the number of meetings and sessions. Many delegations of modest means already had difficulty in following all the work of the Council and its bodies, not to mention the informal consultations. Furthermore, it was not necessarily in their interest that certain bodies should meet simultaneously, as some people were suggesting. The idea of taking up the country programmes in February and then approving them in June would be tantamount to transforming the organizational meeting normally held in February into a regular session of the Council, a move which would only add to the problem. Things were not made any easier for small delegations either by the fact that the Council met at Geneva every second year.

84. As for the Committee of the Whole and its Working Group, the Governing Council had already discussed the issue at length and, in any case his delegation doubted whether it would be advisable to replace those bodies by a programme committee with a limited membership.

85. Finally, a glance through the list of States members of the Council was sufficient to reveal that the geographical distribution of seats was not equitable, and that the developing countries were under-represented.

86. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said that, since a number of delegations were absent, the proposals made at the current meeting concerning the Council's working methods and structures should be taken up again on some future occasion.

87. The PRESIDENT said he took it that the Council wished to proceed in accordance with that suggestion.

OTHER MATTERS (continued):

(d) LEAST DEVELOPED COUNTRIES (DP/1990/89)

88. Mr. DRAPER (Administrator, United Nations Development Programme), introducing the report on the least developed countries (DP/1990/89), said that, despite the vast differences among the least developed countries (LDCs), UNDP had identified four areas of priority action on which the Governments of those countries and the international community should, in conjunction, place due emphasis in programming the use of IPF resources and funds from other sources. Those priorities, which coincided with the priorities identified by the LDCs themselves, the United Nations Conference on Trade and Development (UNCTAD) and the World Bank, were the following: economic management and aid co-ordination, effective management of technical co-operation, human resources

development, and population and environment. UNDP would endeavour, in particular, to expand the scope of the National Technical Co-operation Assessment and Programmes (NTCaPs), and other operations of that kind concerned with the management and planning of technical co-operation; to strengthen the United Nations Capital Development Fund (UNCDF); to mobilize contributions to the Special Measures Fund for the Least Developed Countries (SMF/LDCs); and to improve still further the round-table process.

89. To meet LDC needs in the 1990s, it would be necessary inter alia to have an adequate level of funding. The report before the Council analysed the implications of the various UNDP funding scenarios for the IPFs of the LDCs during the fifth cycle, and the scenarios themselves were presented in document DP/1990/43/Add.1. During the 1980s, the volume of IPF resources for the LDCs had increased by almost 20 per cent in constant dollars, while the volume allocated to all the developing countries had fallen by about 8 per cent. To ensure, during the fifth programming cycle, a perceptable increase in IPF funding for the LDCs in comparison with the preceding cycle, it would be necessary both for total IPF resources to increase by at least 10 per cent and for the resource-distribution criteria to be modified even further in favour of the LDCs, as envisaged in scenarios 9 and 10 outlined in document DP/1990/43/Add.1.

90. In connection with the preparations for the Second United Nations Conference on the Least Developed Countries, UNDP had already drawn from the Special Measures Fund an amount of approximately $1.3 million which was to be used, in accordance with Council decision 90/2, on the one hand to ensure the participation in the Conference of three representatives from each LDC - who would be accommodated at the expense of the French Government - and to finance high-level missions of the Governments of those countries, as a means of strengthening international support for them, and on the other hand to help the LDCs to prepare their country papers for the Conference, if necessary by furnishing them with the services of consultants through UNCTAD or of economists working in the field for UNDP. Several countries had already put the finishing touches to the papers they were going to submit, in which they drew up a balance-sheet of the implementation of the Substantial New Programme of Action for the 1980s and set out their economic development strategies for the 1990s.

91. UNDP had taken an active part in the evaluation of the results of the activities of the Consultative Group and of the round tables organized by UNCTAD, and had itself produced two documents, one dealing with its experiences in the LDCs in the 1980s and the priority action areas for the 1990s, and the other with technical co-operation in the LDCs and the efforts which UNDP had made to improve the management and programming of the technical assistance given to those countries. It had taken part in the meetings of the Preparatory Committee for the Conference and would play an active role in the Conference itself.

92. Mr. PANT (United Nations Conference on Trade and Development), having welcomed the technical and financial contribution made by UNDP to the preparations for the Second United Nations Conference on the Least Developed Countries, said that the preparations had entered their final stage. At its seventh session, held from 26 March to 6 April at Geneva, the UNCTAD Intergovernmental Group on the Least Developed Countries, meeting as the Preparatory Committee for the Paris Conference, had agreed on a provisional

agenda, the organization of work, and the provisional rules of procedure for the Conference. It had also completed a draft action programme in favour of the LDCs for the 1990s.

93. That draft programme showed that there was agreement on the way to tackle the problems encountered by the LDCs, on the essential principles of the action programme and on the general framework for efforts to achieve the long-term growth and development of the LDCs. Generally speaking, differences of opinion related to questions which would have to be settled by the donor countries (estimated volume of official development assistance, debt-relief measures, trade problems, etc.), to political issues connected with human rights and the decentralization of institutions, which should be considered in greater detail in Paris, and to more technical problems which it had not been possible to solve, mainly through lack of time.

94. There had also been agreement on the need to establish effective follow-up mechanisms. It would be for the Conference to determine the nature and type of the arrangements to be made for that purpose. In that connection, it was thought that the leaders of the countries concerned should bear the main responsibility for translating the principles and commitments set out in the draft programme into concrete measures, that the round tables organized by UNDP and the World Bank's Consultative Group should remain the fulcrum of the discussion process at the national level, and that UNCTAD should continue to be responsible for co-ordinating the review and appraisal of the action programme at the world level.

95. The participation of senior government officials in the seventh session of the Preparatory Committee for the Conference and the discussions which had been held there highlighted the international community's very real interest in the LDC cause. There were therefore grounds for hoping that the participants in the Paris Conference would be able to demonstrate the necessary political will to put the finishing touches to the action programme and to adopt it at the Conference. The report of the Administrator of UNDP on the least developed countries (DP/1990/89) should, moreover, make a major contribution to that process. The priorities proposed in the report for IPF allocation to the LDCs (para. 16) were fully justified and in full accordance with the draft action programme. UNCTAD hoped, like UNDP, that the United Nations Capital Development Fund (UNCDF) and the SMF/LDCs would be strengthened and it endorsed the Administrator's recommendations for strengthening the Programme's role in the round tables and the sectoral and thematic meetings, since such operations would be a decisive factor in the effective implementation of the action programme for the 1990s.

96. Mr. CRUSE (France) said that there was currently a genuine awareness - even among the developing countries that were not classified as LDCs - of the extremely difficult situation of those countries and there was thus every reason for hoping that the Paris Conference would produce concrete measures capable of giving rapid results. UNDP must not simply participate in the general mobilization in the LDC cause but be one of the most active agents: that was, after all, its essential role and still the best means of guaranteeing the effective use of development resources. In that connection, his delegation would like to put to the Administrator 12 suggestions which he might possibly use as the basis for innovative proposals to submit to the Conference in September in Paris.

97. In general terms, the aim would be to strengthen the concept of LDC within UNDP by taking as the starting-point the definitions recognized by the entire United Nations system. It would then be a good thing to allocate to the LDCs 60 per cent of the resources available under national IPFs, on the understanding that the regional and global IPFs, the special programmes and the multi-bilateral programmes would continue to benefit all the developing countries, in order to maintain a proper balance.

98. The efforts made with national administrations to improve the co-ordination of official development assistance should be continued, and it was also necessary to mobilize human resources more effectively, for they were the most promising wealth of the LDCs.

99. The aim was also to strengthen the support of family policies with a view to controlling the population explosion which could well nullify the efforts made by the LDCs at the economic level. Help would have to be given in the preparation of a balance-sheet of the state of health of those countries, and health programmes would have to be adapted to their genuine needs, with particular emphasis on basic rural medicine, but it would also be necessary to point educational efforts in the same direction. Priority should continue to be given to economic development programmes for the rural world, while still supporting the social programmes for areas of uncontrolled urban growth.

100. The industrial sphere would have to be restructured, with the accent on the establishment of small viable units in an appropriate setting, due account being taken of the vigour of the informal sector. The environment must also be given consideration, for the vast majority of the LDCs were particularly threatened by desertification and pollution. Lastly, the countries facing special difficulties as a result of structural adjustment policies would have to be supported.

101. Those suggestions were consistent not only with the priorities of the LDCs but also with some of the needs of other developing countries, which should have the support of UNDP at that level within the framework of their own priorities.

102. Mr. MACARTHUR (United States of America) said that his delegation was in full agreement with the main points made by the Administrator in his report. The report provided a clear definition and a judicious analysis of the development priorities of the LDCs, especially with regard to human resources development and management training, as well as to the link between controlling the population explosion and protecting the environment - those were important aspects of development which should be given due weight at the Paris Conference.

103. His delegation thought that the NaTCAPs offered a means of attaining the goals stated by the General Assembly in its resolution 44/211 and agreed that such operations could help the Governments of the countries concerned to control their planning processes more effectively, co-ordinate external aid more discerningly, and execute and manage their own projects. While, as the report suggested, it would be a good idea to make wider use of the SMF/LDCs to strengthen the institutional capacity of the LDCs with regard to aid co-ordination and economic management, the use of those resources to help the LDCs prepare for the intergovernmental meetings to be organized to follow up the action programme adopted at the Paris Conference would be tantamount to

diverting such resources from their primary function. The round tables, on the other hand, might provide a way of helping the LDCs to translate the action plans adopted following the Paris Conference into concrete national programmes. His delegation entirely agreed that the round-table process must be accompanied by an appropriate follow-up arrangement, for otherwise such meetings might prove a barren undertaking.

104. In general terms, his delegation was not convinced of the current validity of the definition of the LDCs, which dated from 1971: in its opinion, it was time to revise the definition in the light of the non-economic indicators which were coming increasingly into play and perhaps to refine it by replacing some of the criteria by different ones. It also hoped that UNDP was endeavouring to devise a formula for determining whether a given country should no longer be classified among the LDCs.

105. Mr. OSUNA (Spain) said that his delegation was ready to support any measure likely to result in the economic recovery of the LDCs and hoped that the forthcoming Paris Conference would provide an opportunity to design policies to resolve the problems confronting them. In his report, the Administrator proposed to that end several areas of priority action which could be fully incorporated into the policy programme of each LDC. However, among the stated priorities, the emphasis should be placed primarily on the development of human resources at all levels of society, for it was by that means - and by a trickle-down effect - that it would be possible to generate the attitudes and activities which could meet essential needs in other areas. Human resources development would also be a decisive factor in the transition to the execution of programmes and projects by national bodies. In the same way, while it was important to strengthen national institutions so that they could take over the management of country programmes and projects, the effort must be made at all levels, from planning ministries to local and regional administrative units: the development and decentralization of infrastructures would make it easier to provide the peoples of the LDCs with the basic services they needed. It would also be necessary to give broader support to the work in the LDCs of the United Nations Population Fund (UNFPA). The Spanish delegation would be ready to support programmes designed for that purpose.

106. The effective management of technical co-operation and aid co-ordination, also mentioned in the Administrator's report, should be regarded less as areas of priority action than as implicit principles of any development activity: it must be possible from the outset to determine the most pressing problems confronting the LDCs, for on that depended the success of any action, as well as the proper use of resources.

107. In that spirit, his delegation would be ready to support the policies proposed by the Administrator in his report.

The meeting rose at 9 p.m.